

--COMPUTERS MAKING FINANCIAL ANALYSIS OUTPUT HAVING PROPERTY VALUATIONS—

B. In The Claims

Amend claim 43 as set forth below.

43. (Twice Amended) The method of claim 1, wherein the step of controlling is carried out with the quantitative description of risk as part of the first financial analysis output.

II. REMARKS

The Examiner is requested to reconsider the application in view of the foregoing amendment and the following remarks. It is believed that the amendment adds no new matter, and the amendment is intended to place the application in condition for allowance.

1. Paragraph 1 of the Office Action

In paragraph 1 of the Office Action, the Examiner has acknowledged examination of claims 1-180 and 226-257.

In response, the undersigned appreciates the examination of said claims.

2. Paragraph 2 of the Office Action

In paragraph 2 of the Office Action, the Examiner has acknowledged authorization from the undersigned to make an Examiner's Amendment.

In response, the undersigned appreciates the Examiner's careful reading that identified this oversight and the courtesy of correcting the oversight with an Examiner's Amendment.

3. Paragraph 3 of the Office Action

In paragraph 3 of the Office Action, the Examiner has acknowledged the

particular authorized Amendment.

In response, the undersigned acknowledges and accepts the Examiner's Amendment.

4. Paragraph 4 of the Office Action

In paragraph 4 of the Office Action, the Examiner has objected to claim 43. The Examiner contends that claim 43 should include an article before the expression "quantitative description of risk."

In response, the undersigned acknowledges and appreciates the Examiner's careful reading and has amended the claim above.

5. Paragraph 5 of the Office Action

In paragraph 5 of the Office Action, the Examiner has questioned whether Applicant intended to have claim 179 depend from any one of claims 64-177 instead of the claimed 117.

In response, the undersigned appreciates the Examiner's careful reading, but the claim is correct as stated.

6. Paragraph 6 of the Office Action

In paragraph 6 of the Office Action, claims 226-257 have been made subject to an objection based on 37 C.F.R. Sec. 1.75. The Examiner contends that these claims are a substantial duplicate of claims 64-95.

In response, the objection is respectfully traversed. In the controlling step of claims 226-257, there is no requirement of a market-based valuation, as there is in claims 64-95. This can be a significant distinction between the claims in cases where there is no market data available as input for generation of the valuation.

7. Paragraph 7 of the Office Action

In paragraph 7 of the Office Action, claims 226-257 have been made subject to

an objection based on 37 C.F.R. Sec. 1.75. The Examiner contends that these claims are a substantial duplicate of claims 64-95.

In response, the objection is respectfully traversed. In the controlling step of claims 226-257, there is no requirement of a market-based valuation, as there is in claims 64-95. This can be a significant distinction between the claims in cases where there is no market data available as input for generation of the valuation.

8. Paragraph 8 of the Office Action

In paragraph 8 of the Office Action, the Examiner has provided a courtesy copy of a portion of 35 U.S.C. Sec. 112, and a need for a response is not indicated.

In response, the undersigned appreciates the Examiner's courtesy.

9. Paragraph 9 of the Office Action

In paragraph 9 of the Office Action, the Examiner has rejected claim 64 pursuant to the second paragraph of Sec. 112. The Examiner contends that the claim is indefinite for not distinguishing between "first financial analysis output" and "the financial analysis output."

In response, the rejection is respectfully traversed. The Examiner has taken a snippet out of a context that leaves no doubt as to the meaning of the claims. The preamble recites "financial analysis output *having a system-determined purchase price...*" and subsequently in the preamble terms this "the financial analysis output." This is distinct from the "first financial analysis output *including the valuation as input to a second digital electrical computer.*" As unmistakably set out in the claims, it is the second digital electrical computer that generates "the financial analysis output *having a system-determined purchase price...*" The Examiner is directed to the language surrounding the "financial analysis output" to verify that the claim is not vague.

10. Paragraph 10 of the Office Action

In paragraph 10 of the Office Action, the Examiner has objected to claims 65-

180. The Examiner contends that these claims are also vague in that they depend from claim 64.

In response, the objection is respectfully traversed for the reasons set forth in paragraph 9 above.

11. Paragraph 11 of the Office Action

In paragraph 11 of the Office Action, the Examiner has rejected claim 226 pursuant to the second paragraph of Sec. 112. The Examiner contends that the claim is indefinite for not distinguishing between “first financial analysis output” and “the financial analysis output.”

In response, the rejection is respectfully traversed. The Examiner has taken a snippet out of a context that leaves no doubt as to the meaning of the claims. The preamble recites “financial analysis output *having a system-determined purchase price...*” and subsequently in the preamble terms this “the financial analysis output.” This is distinct from the “first financial analysis output *including the valuation as input to a second digital electrical computer.*” As unmistakably set out in the claims, it is the second digital electrical computer that generates “the financial analysis output *having a system-determined purchase price...*” The Examiner is directed to the language surrounding the “financial analysis output” to verify that the claim is not vague.

12. Paragraph 12 of the Office Action

In paragraph 12 of the Office Action, the Examiner has objected to claims 227-257. The Examiner contends that these claims are also vague in that they depend from claim 226.

In response, the objection is respectfully traversed for the reasons set forth in paragraph 11 above.

13. Paragraph 13 of the Office Action

In paragraph 13 of the Office Action, the Examiner has provided a courtesy copy of a portion of 35 U.S.C. Sec. 103, and a need for a response is not indicated.

In response, the undersigned appreciates the Examiner's courtesy.

14. Paragraph 14 of the Office Action

In paragraph 14 of the Office Action, claim 1 has been rejected pursuant to 35 USC. Sec. 103. The Examiner contends that claim 1 is obvious in view of Ginsberg.

In response the rejection is respectfully traversed. Many claim requirements are not disclosed or suggested in Ginsberg, and are addressed only by the Examiner's hindsight using the Applicant's claims as a guide. First, the Examiner has transmogrified the one computer of Ginsberg into two computers, connected them, and programmed the computers to communicate something like a first valuation and store it in a memory made up to be accessible by the made up second computer doing another valuation-like computation. But Ginsberg explicitly envisions only one computer hosting the Ginsberg invention and only then perhaps communicating products of the invention elsewhere. Ginsberg mentions "terminals," "the system proprietor," and "the data processor database," etc. which all indicate that only one computer is involved. See Col. 4, line 32-39. Ginsberg's system can then talk to other computers (see, e.g., Col 4, line 60-67 and Col. 10, lines 1-4). Thus, Ginsberg does not teach "controlling a digital electrical computer...in generating a market-based valuation" in combination with "generating a second market-based valuation...with the second digital electrical computer..." See particularly Col. 5, lines 9-19. Nor is there anything in Ginsberg to teach electronically communicating at least some of the financial analysis output as input to a second digital electrical computer..." or any "storing the at least some of the financial analysis output in memory accessible to the second programmed processor." There is no such second programmed processor either.

Superimposing the Examiner's proposed changes on Ginsberg is contrary to the

purpose of Ginsberg. Note the title of Ginsberg "Fixed Income Portfolio Index." Such lack of applicability of the teaching of Ginsberg to the problem Applicant solves and claims through consideration of titles alone cannot be ignored. See, e.g., The Anderson Company et al. v. Trico Products Corporation, 118 USPQ 49 (WDNY 1958): "...it is noted that patent is limited on its face by its title." Ginsberg is creating a bond index, not dealing with separate valuations by separate computers.

Superimposing the Examiner's proposed changes on Ginsberg is contrary to the problem being solved by Ginsberg: "it is apparent that there remains a substantial void in the credit markets and a corresponding need for a real time barometer of the fixed income securities marketplace for the evaluation of portfolio performance, the trends and current market-place conditions, and the trading of indexed future and option contracts for fixed income securities." Col. 3, lines 15-21.

If you ask two people "what time is it?" And you get two different answers, you do not know the time. Likewise, if you have two computers doing two valuations, you do not have "a real time barometer of the fixed income securities marketplace." Instead, you have a market situation for making a sale (see, e.g., Claim 67) as in the problem being addressed by Applicant's invention.

In Ginsberg, there is one computer that does a reiteration, whereas Applicant's claims require two computers doing respective valuations.

Solving Ginsberg's problem has nothing to do with "generating a second market-based valuation...with the second digital electrical computer..." electronically communicating at least some of the financial analysis output as input to a second digital electrical computer..." or "storing the at least some of the financial analysis output in memory accessible to the second

programmed processor." The problem being addressed by Ginsberg is most easily addressed by one computer.

It is respectfully submitted that the Examiner's proposed modifications of Ginsberg would digress from Ginsberg's purpose, would needlessly complicate the problem addressed by Ginsberg, and would contradict other teachings of Ginsberg.

The only justification for transmogrifying Ginsberg into a different structural architecture, programming the two computers to communicate, and perform a storing step for access to an unmentioned processor in Ginsberg is that the Examiner proposes that it was known that such changes could made. But there is nothing in Ginsberg that would have prompted such changes. The Examiner is respectfully drawn to the decision in Ex parte Clapp, 227 USPQ 972 (B.P.A.I. 1985)

"...the Examiner has done little more than cite references to show the one or more elements or some combinations thereof, when each is viewed in a vacuum, is known. The claimed invention, however, is clearly directed to a combination of elements. That is to say, the appellant does not claim that he has invented one or more new elements but has presented claims to a new combination of elements. To support the conclusion that the claimed combination is directed to obvious subject matter, either the references must expressly or impliedly suggest the claimed combination or the Examiner must present a convincing line of reasoning as to why the artisan would have found the claimed invention to have been obvious in light of the teachings of the references. The Board found nothing in the references that would expressly or impliedly teach or suggest the modifications urged by the Examiner to have been obvious. Based upon the record, the artisan would not have found it obvious to selectively pick and choose elements or concepts from the various references so as to arrive at the claimed invention without using the claims as a guide."

The fact that multiple computers existed, and that computers could be linked to communicate, could be programmed to communicate particular data, and could be programmed to perform a storing step for access to a second processor that could be provided is no reason for modifying Ginsberg to carry out the particular communicating or storing that is

required in Applicant's claim. As in Ex parte Clapp, nothing in the reference would expressly or impliedly teach or suggest the modifications urged by the Examiner to have been obvious. Based upon the record, the artisan would not have found it obvious to selectively pick and choose elements or concepts from the various references so as to arrive at the claimed invention without using the claims as a guide.

Further, as the Examiner is aware, a proper reason for a modification of the art cannot be avoided by mere reliance upon Official Notice. Therefore, if the rejection is maintained, Applicant requires a reference to support each Official Notice (or contention that it was well known) so that Applicant can determine whether the Examiner's purported reason to combine is further contradicted by said combination of references.

Additionally, Ginsberg mentions tax-exempt bonds and corporate bonds only once, Col. 1, lines 20-26. The Examiner concedes in Paragraph 47 of the Office Action that the valuation methodology in Ginsberg "reflects a risk-free rate in as much as Ginsberg does not disclose taking a non-zero risk into account." It is well known that tax-exempt bonds, corporate bonds, and other corporate debt have non-zero default risk, and that the default risk of such financial instruments is a significant factor in valuation of the financial instruments. Therefore, Ginsberg cannot be construed to enable valuation of any asset that includes a member of the group consisting of a tax-exempt bond, a corporate bond, and corporate debt.

In sum, the Examiner has not set out a case of *prima facie* obviousness for the claim.

15. Paragraph 15 of the Office Action

In paragraph 15 of the Office Action, claim 15 has been rejected pursuant to 35 USC. Sec. 103. The Examiner contends that claim 15 is obvious in view of Ginsberg in combination with Epstein.

In response the rejection is respectfully traversed for the reasons set forth

responsive to the rejection of claim 1, in paragraph 14. Further, Epstein's use of similar vocabulary does not an enabling disclosure make. Epstein is directed to expected return from bonds, not a multi-computer multiple valuation system. Applicant respectfully does not purport to be the first to consider an expected return under a performance scenario, or a digital electrical computer, etc.; the claims are directed to a combination. From Epstein and Ginsberg, one would have no idea how to make the claimed invention and no motivation to do so either. See paragraph 14 above.

Additionally, Ginsberg only mentions risk in addressing reasons for its omission from its invention ("one important aspect of treasuries in the context of the present invention is the minimal and uniform default risk; the issuance of U.S. government paper removes the default risk as a defining criteria in the relative pricing of treasuries in the market place" (Col. 1, lines 55-60)); by contrast Epstein proposes a measurement of risk to help investors select bond portfolios. The Examiner has offered no proper reason to combine these two teachings to reach Applicant's claimed invention.

Applicant explicitly does not admit and indeed traverses the contention that Epstein is prior art. However, perhaps more to the point, the contention is also not material as set out above.

In sum, the Examiner has not set out a case of *prima facie* obviousness for the claim.

16. Paragraph 16 of the Office Action

In paragraph 16, the Examiner has rejected claim 29 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that claim 29 is obvious in view of Ginsberg.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraph 14 concerning claim 1 is incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for the claim.

17. Paragraph 17 of the Office Action

In paragraph 17, the Examiner has rejected claim 43 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that claim 43 is obvious in view of Ginsberg.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraph 14 concerning claim 1 is incorporated here with equal force too. Further, it is respectfully submitted that while Applicant does not claim to be the first to ever quantify risk, this alone does not justify the claimed combination, or enable or render obvious the claimed subject matter. Coughlan does not even say what risk is being addressed therein. The claim has therefore not been shown obvious over the cited evidence.

Applicant explicitly does not admit and indeed traverses the contention that Coughlan is prior art. However, perhaps more to the point, the contention is also not material as set out above.

In sum, the Examiner has not set out a case of *prima facie* obviousness for the claim.

18. Paragraph 18 of the Office Action

In paragraph 18, the Examiner has rejected claim 2 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that claim 2 is obvious based on Ginsberg in view of Graff.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraph 14 concerning claim 1 is incorporated here with equal force too. Despite Graff, there is still no generating a second market-based valuation...with the second digital electrical computer....” Nor is there any teaching of electronically communicating at least some of the financial analysis output as input to a second digital electrical computer...” or any “storing the at least some of the financial analysis output in memory accessible to the second

programmed processor.” There is no such second programmed processor either. Indeed, Graff does not address processors or digital signal processing at all. It is respectfully submitted that no *prima vacia* case of obviousness has been shown from the cited art.

Additionally, there is no reason to combine Graff and Ginsberg except as a hindsight attempt to match Applicant’s claim limitations. No reason has been offered for the combination, and Graff does not teach applying financial analysis to real estate related assets. Graff deals only with valuation of master leases of commercial property and financing fee simple ownership by a combination of a master lease and a mortgage. If the rejection is maintained, a reference is required for each Examiner contention of what was well known so that Applicant can assess whether there exists a proper reason to combine, as contrasted with mere hindsight.

Further, it is not seen how Ginsberg’s bond portfolio index could function with something that was not a security—e.g., Ginsberg forms an index of property (bonds) that has coupon dates and coupon rates, and is actively traded (Col. 7, lines 37-47). This and other aspects of Ginsberg appear to have no meaning outside of securities. For example, master leases were not put in a portfolio index, do not have coupon dates, do not have coupon rates, and were not actively traded.

In sum, the Examiner has not set out a case of *prima facie* obviousness for the claim.

19. Paragraph 19 of the Office Action

In paragraph 19, the Examiner has rejected claim 16 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that claim 16 is obvious based on Ginsberg in view of Epstein and Graff.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 14, 15, and 18 are incorporated here with equal force too.

Further, the Examiner has cited no proper reason why one would have thought to combine Epstien (the effect of falling interest rates on bond prices) with Graff (master lease and tax issues). If such a proper reason exists, Applicant wants to see it set out.

In sum, the Examiner has not set out a case of *prima facie* obviousness for the claim.

20. Paragraph 20 of the Office Action

In paragraph 20, the Examiner has rejected claim 30 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that claim 30 is obvious based on Ginsberg in view of Graff.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 14 and 18 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for the claim.

21. Paragraph 21 of the Office Action

In paragraph 21, the Examiner has rejected claim 44 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that claim 44 is obvious based on Ginsberg in view of Epstein and Graff.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 14, 17, and 18 are incorporated here with equal force too.

Further, the Examiner has provided no proper reason to combine Graff and Coughlan, which there must be for a combination therewith. There is no discussion in Coughlan about what the Lotus add in does, and thus the Examiner cannot meet his burden of proving that there is a reason to combine Coughlan with Graff.

In sum, the Examiner has not set out a case of *prima facie* obviousness for the claim.

22. Paragraph 22 of the Office Action

In paragraph 22, the Examiner has rejected claim 3 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that claim 3 is obvious based on Ginsberg.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraph 14 is incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for the claim.

23. Paragraph 23 of the Office Action

In paragraph 23, the Examiner has rejected claims 4-8 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraph 14 is incorporated here with equal force too. Further, Treasuries are subject to federal taxation, and therefore are not considered tax-exempt securities by the investment industry or in the Applicant's specification.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

24. Paragraph 24 of the Office Action

In paragraph 24, the Examiner has rejected claims 17-22 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 14 and 15 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

25. Paragraph 25 of the Office Action

In paragraph 25, the Examiner has rejected claims 31-36 pursuant to 35 U.S.C.

Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 14 and 16 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

26. Paragraph 26 of the Office Action

In paragraph 26, the Examiner has rejected claims 45-50 pursuant to 35 U.S.C.

Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 14 and 17 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

27. Paragraph 27 of the Office Action

In paragraph 27, the Examiner has rejected claim 9 pursuant to 35 U.S.C. Sec.

103. The Examiner contends that the claim is obvious based on Ginsberg.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraph 14 is incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for the claim.

28. Paragraph 28 of the Office Action

In paragraph 28, the Examiner has rejected claims 10-14 pursuant to 35 U.S.C.

Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 14 and 27 are incorporated here with equal force too. Further, Treasuries are subject to federal taxation, and therefore are not considered tax-exempt

securities by the investment industry or in the Applicant's specification.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

29. Paragraph 29 of the Office Action

In paragraph 29, the Examiner has rejected claims 23-28 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg in view of Epstein.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 14, 15, 27, and 28 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

30. Paragraph 30 of the Office Action

In paragraph 30, the Examiner has rejected claims 37-42 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 14, 27, and 28 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

31. Paragraph 31 of the Office Action

In paragraph 31, the Examiner has rejected claims 51-56 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 14, 17, 27, and 28 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

32. Paragraph 32 of the Office Action

In paragraph 32, the Examiner has rejected claim 57 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claim is obvious based on Ginsberg in view of Lupien.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 14 and 16 are incorporated here with equal force too. Further, Ginsberg does not teach a system-determined purchase price for property in consummating a sale, as contended by the Examiner. Ginsberg teaches no such thing, and indeed teaches the contrary at Col. 9, lines 62-64: "index traders, investors, pension fund managers, and other participants make determinations of market valuations of the duration-sized portfolio." There is no system-determined purchase price in Ginsberg.

Further, as to Lupien, while Applicant does not claim to be the first to invent an offering memorandum, again, the invention is directed to a combination. Nonetheless, Lupien does not mention an offering memorandum or any means generating one.

Additionally, something that is not in Lupien (an offering memorandum) does not provide a proper reason to combine Lupien with Ginsberg.

In sum, the Examiner has not set out a case of *prima facie* obviousness for the claim.

33. Paragraph 33 of the Office Action

In paragraph 33, the Examiner has rejected claim 58 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claim is obvious based on Ginsberg in view of Lupien.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 14, 16 and 32 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for the claim.

34. Paragraph 34 of the Office Action

In paragraph 34, the Examiner has rejected claims 59-63 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg in view of Lupien.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 14, 16, 32, and 33 are incorporated here with equal force too. Further, Treasuries are subject to federal taxation, and therefore are not considered tax-exempt securities by the investment industry or in the Applicant's specification.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

35. Paragraph 35 of the Office Action

In paragraph 35, the Examiner has rejected claim 64 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claim is obvious based on Ginsberg.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraph 14 is incorporated here with equal force too. Further, Ginsberg does not teach a system-determined purchase price for property in consummating a sale, as contended by the Examiner. Indeed, Ginsberg teaches the contrary at Col. 9, lines 62-64: "index traders, investors, pension fund managers, and other participants make determinations of market valuations of the duration-sized portfolio." There is no system-determined purchase price in Ginsberg.

In sum, the Examiner has not set out a case of *prima facie* obviousness for the claim.

36. Paragraph 36 of the Office Action

In paragraph 36, the Examiner has rejected claim 65 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg in view of Epstein.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 14 and 15 are incorporated here with equal force too. Further, Ginsberg does not teach a system-determined purchase price for property in consummating a sale, as contended by the Examiner. Indeed, Ginsberg teaches the contrary at Col. 9, lines 62-64: “index traders, investors, pension fund managers, and other participants make determinations of market valuations of the duration-sized portfolio.” There is no system-determined purchase price in Ginsberg.

In sum, the Examiner has not set out a case of *prima facie* obviousness for the claim.

37. Paragraph 37 of the Office Action

In paragraph 37, the Examiner has rejected claim 66 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claim is obvious based on Ginsberg.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraph 14 and 16 are incorporated here with equal force too. Further, Ginsberg does not teach a system-determined purchase price for property in consummating a sale, as contended by the Examiner. Indeed, Ginsberg teaches the contrary at Col. 9, lines 62-64: “index traders, investors, pension fund managers, and other participants make determinations of market valuations of the duration-sized portfolio.” There is no system-determined purchase price in Ginsberg. Epstein also does not disclose a system-determined purchase price.

In sum, the Examiner has not set out a case of *prima facie* obviousness for the claim.

38. Paragraph 38 of the Office Action

In paragraph 38, the Examiner has rejected claim 67 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claim is obvious based on Ginsberg in view of Coughlan.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 14 and 17 are incorporated here with equal force too. Further, Ginsberg does not teach a system-determined purchase price for property in consummating a sale, as contended by the Examiner. Indeed, Ginsberg teaches the contrary at Col. 9, lines 62-64: “index traders, investors, pension fund managers, and other participants make determinations of market valuations of the duration-sized portfolio.” There is no system-determined purchase price in Ginsberg. Coughlan also does not disclose a system-determined purchase price.

In sum, the Examiner has not set out a case of *prima facie* obviousness for the claim.

39. Paragraph 39 of the Office Action

In paragraph 39, the Examiner has rejected claims 68-71 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg in view of Epstein and Coughlan.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 14, 15, 17, 36, and 38 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

40. Paragraph 40 of the Office Action

In paragraph 40, the Examiner has rejected claims 72-75 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg in view of Epstein and Coughlan.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraph 39 is incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

41. Paragraph 41 of the Office Action

In paragraph 41, the Examiner has rejected claims 76-79 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg in view of Epstein and Coughlan.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 18 and 39 incorporated here with equal force too. No one would value a car or piece of furniture in the manner of Ginsberg or like a Treasury. For example, the Ginsberg methodology computes a discount or premium from par and a true yield to maturity (Col. 3, lines 59-61), but applying these to cars, furniture, or other tangible property is ludicrous.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

42. Paragraph 42 of the Office Action

In paragraph 42, the Examiner has rejected claims 80-83 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg in view of Epstein and Coughlan.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 18 and 39 incorporated here with equal force too. No one would value real estate in the manner of Ginsberg or like a Treasury. For example, the Ginsberg methodology computes a discount or premium from par and a true yield to maturity (Col. 3, lines 59-61), but applying these to real estate is ludicrous.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

43. Paragraph 43 of the Office Action

In paragraph 43, the Examiner has rejected claims 84-87 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg in view of Epstein and Coughlan.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 18 and 39 incorporated here with equal force too. Further, while Applicant does not claim to have invented property not including any securities, this does disclose or not enable a system for doing the claimed valuation of such property.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

44. Paragraph 44 of the Office Action

In paragraph 44, the Examiner has rejected claims 88-91 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg in view of Epstein and Coughlan.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 14, 18, and 39 incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

45. Paragraph 45 of the Office Action

In paragraph 45, the Examiner has rejected claims 92-95 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg in view of Epstein and Coughlan.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 14, 18, 23, and 39 incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any

of the claims.

46. Paragraph 46 of the Office Action

In paragraph 46, the Examiner has rejected claim 96 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claim is obvious based on Ginsberg in view of Coughlan.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraph 35 is incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for the claim.

47. Paragraph 47 of the Office Action

In paragraph 47, the Examiner has rejected claim 97 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claim is obvious based on Ginsberg in view of Coughlan.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraph 35 is incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for the claim.

48. Paragraph 48 of the Office Action

In paragraph 48, the Examiner has rejected claims 98-99 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg in view of Coughlan.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraph 35 is incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

49. Paragraph 49 of the Office Action

In paragraph 49, the Examiner has rejected claims 100-101 pursuant to 35

U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg in view of Coughlan.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraph 35 is incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

50. Paragraph 50 of the Office Action

In paragraph 50, the Examiner has rejected claims 102-103 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg in view of Coughlan.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 35 and 41 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

51. Paragraph 51 of the Office Action

In paragraph 51, the Examiner has rejected claims 104-105 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg in view of Coughlan.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 35 and 42 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

52. Paragraph 52 of the Office Action

In paragraph 52, the Examiner has rejected claims 106-107 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg in

view of Coughlan.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 35 and 43 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

53. Paragraph 53 of the Office Action

In paragraph 53, the Examiner has rejected claims 108-109 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg in view of Coughlan.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 35, 46, and 47 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

54. Paragraph 54 of the Office Action

In paragraph 54, the Examiner has rejected claims 110-111 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg in view of Coughlan.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 35, 23, 46, and 47 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

55. Paragraph 55 of the Office Action

In paragraph 53, the Examiner has rejected claims 112-115 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg in view of Coughlan.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 35-38 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

56. Paragraph 56 of the Office Action

In paragraph 56, the Examiner has rejected claims 116-117 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg in view of Coughlan.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 35, 23, 46, and 47 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

57. Paragraph 57 of the Office Action

In paragraph 57, the Examiner has rejected claim 118 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claim is obvious based on Ginsberg in view of Graff. The Examiner contends that Graff teaches “the temporal decomposition of property.”

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 35 and 18 are incorporated here with equal force too. Further, though Graff mentions “fee simple property ownership is separated into temporally into term and residual property ownership, with term ownership running until existing leases expire and residual ownership commencing when the leases expire” at page 53, second column, lines 21-25 (and does not mention “remainder”), the statement is set in a context with a different meaning than inferred by the Examiner. Graff teaches “the functional equivalent of term ownership can readily be created in a single tenant-property by an appropriate form of master lease on the facility coincident with the term of the existing lease. The term owner is the holder

of the master lease; the residual equity holder is the legal owner of the property while the master lease is in force.” Page 53, second column, lines 28-35. This is not a decomposition of property ownership, but instead is a decomposition of economic benefits. Further, Graff does not teach or enable any system-determined purchase price for a component from the decomposition of the property (and again, Ginsberg has no system-determined price either). Furthermore, the Examiner asserts that there was an “obvious advantage of determining at what prices it would be profitable to buy or sell a component of temporally decomposed property.” Because there has been no prior art showing any “determining at what prices it would be profitable to buy or sell a component of temporally decomposed property,” there has been no showing that any such advantage was known to exist before Applicant’s invention—and certainly not that any such advantage was obvious.

In sum, the Examiner has not set out a case of *prima facie* obviousness for the claim.

58. Paragraph 58 of the Office Action

In paragraph 58, the Examiner has rejected claims 119-122 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg in view of Graff.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 35, 57, and 18 are incorporated here with equal force too.

The Examiner makes several contentions about “fractional interests”, which are not required in these claims, but is the subject of claim 123. Applicant understands that this discussion is erroneous as to the instant claims, but addresses the issue for clarification. The substance is equally applicable to those claims where a fractional interest is relevant.

Though Graff mentions “fee simple property ownership is separated into temporally into term and residual property ownership, with term ownership running until existing

leases expire and residual ownership commencing when the leases expire” at page 53, second column, lines 21-25 (and does not mention “remainder”), the statement is set in a context with a different meaning than inferred by the Examiner. Graff teaches “the functional equivalent of term ownership can readily be created in a single tenant-property by an appropriate form of master lease on the facility coincident with the term of the existing lease. The term owner is the holder of the master lease; the residual equity holder is the legal owner of the property while the master lease is in force.” Page 53, second column, lines 28-35. This is not a decomposition of property ownership, but instead is a decomposition of economic benefits. Further, Graff does not teach or enable any system-determined purchase price for a component from the decomposition of the property (and again, Ginsberg has no system-determined price either).

Additionally, with regard to the contentions of paragraph 58(a), a remainder interest is not identical to a residual interest, as assumed by the Examiner. Therefore Graff does not teach that a remainder interest is part of temporally decomposed property as asserted by the Examiner. Thus, the conclusions based on the Examiner’s incorrect assumption are equally incorrect.

Further, with regard to the contentions of paragraph 58(a)(i), Applicant does not claim to be the first to conceive of a fractional interest. However, it is respectfully submitted that no one would have thought of a means for valuing a fractional interest in a remainder of property from the master lease, etc. discussion in Graff. More so, the IRS now recognizes a significant difference exists between valuations of fractional interests in liquid assets and illiquid assets. For example, for gift tax purposes, the IRS now allows a discount in the valuation of a minority fractional interest in an illiquid asset (such as a remainder interest) from the value obtained by multiplying the fraction of the fractional interest by the value of the illiquid asset, but does not allow the same in the case of a liquid asset. Therefore the Examiner’s contention that fractional interests was well known does not imply that valuation of the fractional interests was

well known from Graff. Therefore, the Examiner's conclusions based thereon are not incorrect.

Furthermore, the Examiner asserts that there was an "obvious advantage of pricing and trading interests smaller and more conveniently purchasable than the whole value of the remainder interest." Because there has been no prior art showing any trading of such smaller interests in remainder interests, there has been no showing that any such advantage was known to exist before Applicant's invention—and certainly not that any such advantage was obvious.

Further, with regard to the contentions of paragraph 58(b), there is no mention of an estate for years, nor any equivalent terminology, in the cited Graff passage. Furthermore, the Examiner asserts that there was an "obvious advantage of determining at what prices it would be profitable to buy or sell a term of years interest in temporally decomposed property." Because there has been no prior art showing any "determining at what prices it would be profitable to buy or sell a term of years interest in temporally decomposed property," there has been no showing that any such advantage was known to exist before Applicant's invention—and certainly not that any such advantage was obvious.

Further, with regard to the contentions of paragraph 58(c), the Applicant incorporates by reference with equal force the response set out in paragraph 57 above, with the context of "term of years" being directed solely to a master lease. Furthermore, the Examiner asserts that there was an "obvious advantage of determining at what prices it would be profitable to buy or sell a term of years interest in temporally decomposed property." Because there has been no prior art showing any "determining at what prices it would be profitable to buy or sell a term of years interest in temporally decomposed property," there has been no showing that any such advantage was known to exist before Applicant's invention—and certainly not that any such advantage was obvious.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

59. Paragraph 59 of the Office Action

In paragraph 59, the Examiner has rejected claim 123 pursuant to 35 U.S.C.

Sec. 103. The Examiner contends that the claim is obvious based on Ginsberg in view of Graff.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 35, 18, 57, and 58 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for the claim.

60. Paragraph 60 of the Office Action

In paragraph 60, the Examiner has rejected claims 124-127 pursuant to 35

U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg in view of Graff.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 35, 18, 57, and 58 are incorporated here with equal force too.

It is noted that a fractional interest in an asset is an example of an equity interest in the asset, but not conversely, as the Examiner appears to assert.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

61. Paragraph 61 of the Office Action

In paragraph 61, the Examiner has rejected claim 128 pursuant to 35 U.S.C.

Sec. 103. The Examiner contends that the claim is obvious based on Ginsberg in view of Graff.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 35, 36, 18, 57, and 58 are incorporated here with equal force too. Furthermore, the Examiner asserts that there was an "obvious advantage of determining at what prices it would be profitable to buy or sell a component of temporally decomposed property." Because there has been no prior art showing any "determining at what prices it

would be profitable to buy or sell a component of temporally decomposed property,” there has been no showing that any such advantage was known to exist before Applicant’s invention—and certainly not that any such advantage was obvious.

In sum, the Examiner has not set out a case of *prima facie* obviousness for the claim.

62. Paragraph 62 of the Office Action

In paragraph 62, the Examiner has rejected claims 129-132 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg in view of Graff.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 35, 18, 57, 58, 60, and 61 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

63. Paragraph 63 of the Office Action

In paragraph 63, the Examiner has rejected claim 133 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claim is obvious based on Ginsberg in view of Graff and Epstein.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 35, 36, 18, 57, and 58 are incorporated here with equal force too. Furthermore, the Examiner asserts that there was an “obvious advantage of pricing and trading interests smaller and more conveniently purchasable than the whole value of a component temporally decomposed property.” Because there has been no prior art showing any pricing and trading of such smaller interests in a component of a temporally decomposed property, there has been no showing that any such advantage was known to exist before

Applicant's invention—and certainly not that any such advantage was obvious.

In sum, the Examiner has not set out a case of *prima facie* obviousness for the claim.

64. Paragraph 64 of the Office Action

In paragraph 64, the Examiner has rejected claims 134-137 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg in view of Graff.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 35, 18, 57, 58, 60, 61, and 63 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

65. Paragraph 65 of the Office Action

In paragraph 65, the Examiner has rejected claim 138 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claim is obvious based on Ginsberg in view of Graff.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 35, 18, 57, 58, 60, 61, and 63 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for the claim.

66. Paragraph 66 of the Office Action

In paragraph 66, the Examiner has rejected claims 139-142 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg in view of Graff.

In response, the contention and rejection are respectfully traversed, and the

response set forth in paragraphs 35, 18, 57, 58, 60, 61, and 63 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

67. Paragraph 67 of the Office Action

In paragraph 67, the Examiner has rejected claim 143 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claim is obvious based on Ginsberg in view of Graff.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 35, 18, 57, 58, 60, 61, and 63 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for the claim.

68. Paragraph 68 of the Office Action

In paragraph 68, the Examiner has rejected claims 144-147 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg in view of Graff.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 35, 18, 57, 58, 60, 61, 63, and 67 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

69. Paragraph 69 of the Office Action

In paragraph 69, the Examiner has rejected claim 148 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claim is obvious based on Ginsberg in view of Graff.

In response, the contention and rejection are respectfully traversed, and the

response set forth in paragraphs 35, 38, 18, 57, 58, 60, 61, and 63 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for the claim.

70. Paragraph 70 of the Office Action

In paragraph 70, the Examiner has rejected claims 149-152 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg in view of Graff.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 35, 18, 57, 58, 60, 61, 63, and 67 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

71. Paragraph 71 of the Office Action

In paragraph 71, the Examiner has rejected claim 153 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claim is obvious based on Ginsberg in view of Graff.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 35, 38, 18, 57, 58, 60, 61, and 63 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for the claim.

72. Paragraph 72 of the Office Action

In paragraph 72, the Examiner has rejected claims 154-157 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg in view of Graff.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 35, 18, 57, 58, 60, 61, 63, and 67 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

73. Paragraph 73 of the Office Action

In paragraph 73, the Examiner has rejected claim 158 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claim is obvious based on Ginsberg in view of Graff.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 35, 38, 46, 18, 57, 58, 60, 61, and 63 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for the claim.

74. Paragraph 74 of the Office Action

In paragraph 74, the Examiner has rejected claims 159-162 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg in view of Graff.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 35, 18, 46, 57, 58, 60, 61, 63, and 67 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

75. Paragraph 75 of the Office Action

In paragraph 75, the Examiner has rejected claim 163 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claim is obvious based on Ginsberg in view of Graff.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 35, 38, 46, 18, 57, 58, 60, 61, and 63 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for the claim.

76. Paragraph 76 of the Office Action

In paragraph 76, the Examiner has rejected claims 164-167 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg in view of Graff.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 35, 18, 46, 57, 58, 60, 61, 63, and 67 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

77. Paragraph 77 of the Office Action

In paragraph 77, the Examiner has rejected claim 168 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claim is obvious based on Ginsberg in view of Graff.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 35, 38, 46, 47, 18, 57, 58, 60, 61, and 63 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for the claim.

78. Paragraph 78 of the Office Action

In paragraph 78, the Examiner has rejected claims 169-172 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg in

view of Graff.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 35, 18, 46, 47, 57, 58, 60, 61, 63, and 67 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

79. Paragraph 79 of the Office Action

In paragraph 79, the Examiner has rejected claim 173 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claim is obvious based on Ginsberg in view of Graff.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 35, 38, 46, 47, 18, 57, 58, 60, 61, and 63 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for the claim.

80. Paragraph 80 of the Office Action

In paragraph 80, the Examiner has rejected claims 174-177 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg in view of Graff.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 35, 18, 46, 47, 57, 58, 60, 61, 63, and 67 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

81. Paragraph 81 of the Office Action

In paragraph 81, the Examiner has rejected claim 178 pursuant to 35 U.S.C.

Sec. 103. The Examiner contends that the claim is obvious based on Ginsberg in view of Graff.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 35, 38, 46, 47, 18, 57, 58, 60, 61, and 63 are incorporated here with equal force too. Additionally, Applicant does not claim to be the first to conceive of a financial exchange in the abstract, as evidenced by Ginsberg. However, the claims are directed to a combination, and the combination is not disclosed or suggested by Ginsberg alone, or in combination with the cited art.

In sum, the Examiner has not set out a case of *prima facie* obviousness for the claim.

82. Paragraph 82 of the Office Action

In paragraph 82, the Examiner has rejected claim 179 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claim is obvious based on Ginsberg in view of Graff.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 35, 38, 46, 47, 18, 57, 58, 60, 61, and 63 are incorporated here with equal force too. Additionally, Graff does not teach having a property be a component of an other property, and conclusions based on this assumption are therefore invalid as well.

In sum, the Examiner has not set out a case of *prima facie* obviousness for the claim.

83. Paragraph 83 of the Office Action

In paragraph 83, the Examiner has rejected claims 227-257 pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Ginsberg in view of Graff.

In response, the contention and rejection are respectfully traversed, and the response set forth in paragraphs 7, 35-47, 18, 57, 58, 60, 61, 63, and 67 are incorporated here with equal force too.

In sum, the Examiner has not set out a case of *prima facie* obviousness for any of the claims.

84. Paragraph 84 of the Office Action

In paragraph 84, the Examiner has asserted that material cited therein constitutes prior art and makes certain assertions interpreting said material.

In response, Applicant explicitly does not admit and indeed traverses the contentions and assertions as follows. Roberts instead teaches stripping coupons from bonds. Daughterty is not prior art. Nakamura is not prior art. Austin is not prior art. Brennan's teaching of computing a beta to quantify a risk is a risk directed to publicly traded stocks and not the Applicant's claimed subject matter. Guttentag is not admitted as prior art. Lubell is not prior art. Benninga cannot be assessed because the only information provided by the Examiner is a copyright page. Based on the indicated 1997 copyright, Benninga apparently is not prior art.

85. Paragraph 85 of the Office Action

In paragraph 85, the Examiner states that he has provided a better copy of Lupien.

In response, the courtesy of the Examiner is appreciated.

86. Paragraph 86 of the Office Action

In paragraph 86 of the Office Action, the Examiner has graciously provided numerous ways to communicate regarding the instant case, and the Applicant and undersigned are most appreciative. The Examiner is invited to contact the undersigned at the telephone number set out below if it can in any way expedite or facilitate issuance of a patent on the application.

III. Conclusion

This Amendment and Response complies with, and satisfies, all bases for

rejection or objection. The application, as amended, is believed to be in condition for allowance, and favorable action is requested. Additionally, formal drawings have been filed herewith. If the prosecution of this case can be in any way advanced by a further telephone discussion, the Examiner is requested to call the undersigned at (312) 240-0824.

Respectfully submitted,

Date:

November 14, 2001



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